

owed to the Employees Health Benefits Fund.

(c) *Offsets.* As part of its debt collection efforts, OPM may request other Federal agencies to offset the penalties and assessments against amounts that the agencies may owe to the provider, including Federal income tax refunds.

(d) *Civil lawsuit.* If necessary to obtain payment of penalties and assessments, the United States may file a civil lawsuit as set forth in 5 U.S.C. 8902(i).

(e) *Crediting payments.* OPM must deposit payments of penalties and assessments into the Employees Health Benefits Fund.

Subpart K—Temporary Continuation of Coverage

SOURCE: 54 FR 52339, Dec. 21, 1989, unless otherwise noted.

§ 890.1101 Purpose.

This subpart identifies the individuals who may temporarily continue coverage after the coverage would otherwise terminate under this part and sets forth the circumstances of their enrollment.

§ 890.1102 Definitions.

In this subpart—

Gross misconduct means a flagrant and extreme transgression of law or established rule of action for which an employee is separated and concerning which a judicial or administrative finding of gross misconduct has been made.

Qualifying event means any of the following events that qualify an individual for temporary continuation of coverage under subpart K of this part:

(1) A separation from Government service.

(2) A divorce or annulment.

(3) A change in circumstances that causes an individual to become ineligible to be considered an unmarried dependent child under this part.

§ 890.1103 Eligibility.

(a) Except as provided by paragraph (b) of this section, individuals described by this section are eligible to elect temporary continuation of cov-

erage under this subpart. Eligible individuals are as follows:

(1) Former employees whose coverage ends because of a separation from Federal service under any circumstances except an involuntary separation for gross misconduct.

(2) Individuals whose coverage as children under the family enrollment of an employee, former employee, or annuitant ends because they cease meeting the requirements for being considered unmarried dependent children. For the purpose of this section, children who are enrolled under this part as survivors of deceased employees or annuitants are considered to be children under a family enrollment of an employee or annuitant at the time of the qualifying event.

(3) Former spouses of employees, of former employees having continued family coverage under this subpart, or of annuitants, if the former spouse would be eligible for continued coverage under subpart H of this part except for failure to meet the requirement of § 890.803(a) (1) or (3) of this part or the documentation requirements of § 890.806(a) of this part, including former spouses who lose eligibility under subpart H within 36 months after termination of the marriage because they ceased meeting the requirement of § 890.803(a) (1) or (3) of this part.

(b) An individual who is otherwise eligible for benefits under this part (excluding the temporary extension of coverage and conversion privilege set forth in subpart D of this part) is not entitled to continued coverage under this subpart.

§ 890.1104 Notification by agency.

(a) In the case of a former employee who is eligible to elect temporary continuation of coverage under § 890.1103(a)(1), the employing office must notify the former employee concerning his or her rights under this subpart no later than 30 days after the end of the temporary extension of coverage provided under § 890.401.

(b)(1) In the case of a child who is eligible to elect temporary continuation of coverage under § 890.1103(a)(2), the enrollee may, within 60 days after the qualifying event, provide written notice to the employing office of the

child's change in status and requesting information about temporary continuation of coverage. The written notice must include the child's name and address and the date of the terminating event.

(2) If the notice described in paragraph (b)(1) is received by the employing office within 60 days after the date on which the child ceased meeting the requirements for being considered an unmarried dependent child, the employing office must notify the child of his or her rights under this subpart within 14 days after receiving the notice.

(3) This paragraph does not preclude the employing office from notifying the child of his or her rights based on oral or written notification by the child, another family member, or any other source that the child no longer meets the requirements for being considered an unmarried dependent child.

(c)(1) In the case of a former spouse who is eligible to elect temporary continuation of coverage under § 890.1103(a)(3), the employee or the former spouse may, within 60 days after the termination of the marriage or the loss of coverage under subpart H of this part, notify the employing office of the terminating event and request information about temporary continuation of coverage. The notice must include the name and address of the former spouse and the date of the terminating event.

(2) The employing office must notify the former spouse of his or her rights under this subpart within 14 days after receiving the notice described in paragraph (c)(1) of this section.

(d) If the employing office cannot give the notice required by this section to the employee, child, or former spouse directly, it must send the notice by first class mail. A notice that is mailed is deemed to be received 5 days after the date of the notice.

[54 FR 52339, Dec. 21, 1989, as amended at 57 FR 21192, May 19, 1992]

§ 890.1105 Initial election of temporary continuation of coverage; application time limitations and effective dates.

(a) The election of temporary continuation of coverage may be in the

form of a Standard Form 2809, letter, or written statement to the employing office.

(b) *Former employees.* A former employee's election under this subpart must be submitted to the employing office within 60 days after the later of—

(1) The date of separation; or

(2) The date the former employee received the notice from the employing office.

(c) *Children.* A child's election under this subpart must be submitted to the employing office within 60 days after the later of—

(1) The date of the qualifying event; or

(2) If the employee notified the employing office within the 60-day time period specified under § 890.1104(b)(1) of this part, the date the child received the notice from the employing office. If the employee did not notify the employing office within the specified time period, the child's opportunity to elect continued coverage ends 60 days after the qualifying event.

(d) *Former spouses.* (1) A former spouse's election must be received by the employing office within 60 days after the later of—

(i) The date of the qualifying event; or

(ii) The date coverage under subpart H of this part was lost because of remarriage or loss of qualifying court order, if the loss of coverage under subpart H occurred before the expiration of the 36-month period specified in § 890.1107(c); or

(iii) If the employee, annuitant, or former spouse notified the employing office of the termination of the marriage within the time period specified in § 890.1104(c)(1), the date the former spouse received the notice from the employing office described in § 890.1104(c)(2). If the employee, annuitant, or former spouse did not notify the employing office within the specified time period, the former spouse's opportunity to elect continued coverage ends 60 days after the qualifying event.

(2) The effective date of former spouse coverage is the later of—

(i) The date determined under paragraph (g) of this section; or